MONDAY, JANUARY 29, 2018

FORTY-SEVENTH LEGISLATIVE DAY

The House met at 5:00 p.m. and was called to order by Madam Speaker Harwell.

The proceedings were opened with prayer by Brother Walt Leaver, Brentwood Hills Church of Christ, Brentwood, TN.

Representative M. White led the House in the Pledge of Allegiance to the Flag.

ROLL CALL

The roll call	was taken with the following results:	
Present		95

Representatives present were Alexander, Beck, Boyd, Brooks H., Brooks K., Butt, Byrd, Calfee, Carr, Carter, Casada, Clemmons, Coley, Cooper, Crawford, Curcio, Daniel, DeBerry, Doss, Dunn, Eldridge, Faison, Farmer, Favors, Fitzhugh, Forgety, Gant, Gilmore, Goins, Gravitt, Halford, Hardaway, Hawk, Hazlewood, Hicks, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, Miller, Mitchell, Moody, Moon, Parkinson, Pitts, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Rudd, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Sherrell, Smith, Sparks, Staples, Stewart, Terry, Thompson, Tillis, Travis, Turner, Van Huss, Vaughan, Weaver, White D., White M., Whitson, Williams, Windle, Wirgau, Zachary, Madame Speaker Harwell -- 95

COMMUNICATION January 29, 2018

The Honorable William C. Koch, Jr. Nashville School of Law 4013 Armory Oaks Drive Nashville, TN 37204

Re: Trial Court Vacancy Commission

Dear Justice Koch:

As Speaker of the Senate and Speaker of the House of Representatives acting jointly pursuant to Tennessee Code Annotated, §17-4-301(a)(3) we are appointing you to serve as chair of the Trial Court Vacancy Commission. Your new term commences February 1, 2018 and will expire on January 31, 2024.

We are forwarding a copy of this letter to the Administrative Office of the Courts. Director Deborah Taylor Tate's office will be contacting you in the near future regarding this appointment.

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We are confident that you will perform the duties of office with the high standard of professionalism, dedication and integrity that the citizens of Tennessee deserve and expect of their public servants.

Best Wishes,

/s/ Lt. Governor Randy McNally

/s/ Speaker Beth Harwell

cc: Deborah Taylor Tate, Director of the Administrative Office of the Courts

Cody York, 8th Floor, Snodgrass Tower Don R. Johnson, G-7 State Capitol Bldg.

Russell Humphrey Tammy Letzler Scott Gilmer Connie Ridley Karen Garrett Doug Himes

COMMUNICATION January 29, 2018

Thomas Lawless, Esq. Lawless & Associates, P.C. 701 Broadway, Suite 403 The Customs House Nashville, TN 37203

Re: Trial Court Vacancy Commission

Dear Mr. Lawless:

As Speaker of the House of Representatives acting pursuant to Tennessee Code Annotated, § 17-4-301(a)(2) I am appointing you to serve as a member of the Trial Court Vacancy Commission. You will be completing the term vacated by Justice Koch. Your new term commences February 1, 2018 and will expire on January 31, 2020.

I am forwarding a copy of this letter to the Administrative Office of the Courts. Director Deborah Taylor Tate's office will be contacting you in the near future regarding this new appointment.

I am confident that you will continue to perform the duties of office with the high standard of professionalism, dedication and integrity that the citizens of Tennessee deserve and expect of their public servants.

Best Wishes,

/s/ Speaker Beth Harwell

cc: Deborah Taylor Tate, Director of the Administrative Office of the Courts Cody York, 8th Floor, Snodgrass Tower

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Don R. Johnson, G-7 State Capitol Bldg. Russell Humphrey Tammy Letzler Scott Gilmer Connie Ridley Karen Garrett Doug Himes

COMMUNICATION January 29, 2018

Brandon O. Gibson 6 Highway 45 Bypass P O Box 909 Jackson, TN 38301

Re: Board of Judicial Conduct

Dear Judge Gibson:

As Speaker of the House of Representatives acting pursuant to Tennessee Code Annotated, §17-5-201(a)(5), I am appointing you to serve as an appellate judge member of the Board of Judicial Conduct. Your term commences immediately and will expire on June 30, 2018.

I am forwarding a copy of this letter to Jeana Hendrix, Assistant General Counsel at the Administrative Office of the Courts. Her office will be contacting you in the near future regarding this appointment.

I am confident that you will perform the duties of office with the high standard of professionalism, dedication and integrity that the citizens of Tennessee deserve and expect of their public servants.

Best Wishes,

/s/ Speaker Beth Harwell

Tammy Letzler

cc: Lt. Gov. Randy McNally
Jeana Hendrix - Administrative Office of the Courts
Cody York, 8th Floor, Snodgrass Tower
Don R. Johnson, G-7 State Capitol Bldg.
Scott Gilmer
Connie Ridley
Karen Garrett
Doug Himes

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Joint Resolution No. 685 Rep. Moon as prime sponsor.

House Joint Resolution No. 685 Rep. Matlock as Second prime sponsor.

House Bill No. 793 Reps. Faison and Carter as prime sponsors.

House Bill No. 1462 Reps. Casada, C. Sexton, Travis, T. Hill, Hawk and Carter as prime sponsors.

House Bill No. 1739 Reps. Rudd, Rogers, Alexander, J. Sexton, Weaver, Smith, Kane, Byrd, Howell, Zachary, Ragan, Hawk, McCormick, Matlock, C. Sexton and Hulsey as prime sponsors.

House Bill No. 1917 Rep. Doss as First prime sponsor.

House Bill No. 1917 Reps. Whitson, K. Brooks, Eldridge, Fitzhugh, Stewart, Camper, Powell, Calfee, Hazlewood, Clemmons, Shaw, Powers and Marsh as prime sponsors.

MESSAGE FROM THE SENATE January 26, 2018

MADAM SPEAKER: I am directed to return to the House, House Joint Resolution No. 596; signed by the Speaker.

RUSSELL A. HUMPHREY, Chief Clerk

ENROLLED BILLS January 26, 2018

MADAM SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have carefully compared House Joint Resolutions Nos. 88, 598, 601, 602, 604 and 640; and find same correctly enrolled and ready for the signatures of the Speakers.

GREG GLASS, Chief Engrossing Clerk

SIGNED January 26, 2018

The Speaker announced that she had signed the following: House Joint Resolutions Nos. 88, 598, 601, 602, 604 and 640.

GREG GLASS, Chief Engrossing Clerk

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MESSAGE FROM THE SENATE January 29, 2018

MADAM SPEAKER: I am directed to transmit to the House, Senate Joint Resolution No. 531; adopted, for the House's action.

RUSSELL A. HUMPHREY, Chief Clerk

Senate Joint Resolution No. 531 -- Memorials, Death - Senator Joe Haynes. by *McNally, *Dickerson.

INTRODUCTION OF RESOLUTIONS

On motion, pursuant to **Rule No. 17**, the following resolutions listed were introduced and referred to the appropriate Committee:

*House Joint Resolution No. 683 -- Memorials, Government Officials - Urges placement of David Crockett statue on platform atop Motlow Tunnel on State Capitol grounds. by *McCormick.

House State Government Committee

*House Joint Resolution No. 684 -- General Assembly, Confirmation of Appointment - William A. "Bill" Young, Claims Commission. by *Daniel.

House Civil Justice Committee

House Joint Resolution No. 687 -- Naming and Designating - June 27, 2018, Post-Traumatic Stress Injury Awareness Day; June 2018, Post-Traumatic Stress Injury Awareness Month. by *Ragan, *Van Huss, *Camper, *Weaver, *Moon, *Alexander, *Reedy.

House Health Committee

RESOLUTIONS

Pursuant to **Rule No. 17**, the following resolutions were introduced and placed on the Consent Calendar for January 31, 2018:

House Resolution No. 189 -- Memorials, Retirement - C. Winston Henning. by *Eldridge.

House Resolution No. 190 -- Memorials, Recognition - "With Purpose Day" in Tennessee, March 14, 2018. by *Brooks K.

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House Joint Resolution No. 686 -- Memorials, Recognition - Oak Ridge Schools. by *Ragan.

House Joint Resolution No. 688 -- Memorials, Retirement - Pat Phillips. by *Keisling.

House Joint Resolution No. 689 -- Memorials, Recognition - Gracie Cox, 2018 Tennessee Fairest of the Fair. by *Keisling.

House Joint Resolution No. 690 -- Memorials, Personal Occasion - Carl and Nancy Fishburn, 50th wedding anniversary. by *Keisling.

House Joint Resolution No. 691 -- Memorials, Retirement - Dennis Stephens. by *Keisling.

House Joint Resolution No. 692 -- Memorials, Retirement - Phillip Tinch. by *Keisling.

House Joint Resolution No. 693 -- Memorials, Sports - Scott Norman. by *Carr .

House Joint Resolution No. 696 -- Memorials, Personal Occasion - James R. Fitzhugh, 95th birthday. by *Fitzhugh.

House Joint Resolution No. 697 -- Memorials, Death - Jean Price Teague. by *Daniel.

House Joint Resolution No. 698 -- Memorials, Retirement - Chief Warrant Officer Four Darren Kolofsky. by *Johnson, *Reedy, *Pitts.

House Joint Resolution No. 699 -- Memorials, Death - Denise LaSalle, by *Eldridge.

House Joint Resolution No. 703 -- Memorials, Recognition - City of La Vergne, top ten among Tennessee's safest cities. by *Sparks, *White D.

INTRODUCTION OF BILLS

On motion, the following bills were introduced and passed first consideration:

*House Bill No. 1889 -- Funeral Directors and Embalmers - As introduced, lessens the amount of time that a seller of a pre-need funeral contract has to retain records concerning the pre-need funeral contract and information relating to the sale from five years after the death of the beneficiary to three years. - Amends TCA Title 62, Chapter 5, Part 4. by *Eldridge.

House Bill No. 1890 -- Budget Procedures - As introduced, assigns the state employee staff responsible for the administration of the group insurance for state officials and employees to the department of finance and administration. - Amends TCA Title 4; Title 8; Title 9 and Title 67. by *Sparks.

*House Bill No. 1891 -- Trusts - As introduced, authorizes a trustee to establish a single trust fund for all pre-need funeral contracts issued by multiple pre-need sellers, instead of having to establish a trust fund for each pre-need seller. - Amends TCA Title 62, Chapter 5, Part 4. by *Hicks.

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*House Bill No. 1892 -- Abortion - As introduced, prohibits abortions from the point a fetal heartbeat is detected; requires fetal heartbeat testing prior to an abortion; creates exceptions. - Amends TCA Title 39, Chapter 15, Part 2 and Title 68, Chapter 11, Part 2. by *VanHuss.

*House Bill No. 1893 -- Abortion - As introduced, clarifies that the required notice in facilities and physician offices regarding the illegality of being coerced to have an abortion must be written and displayed in such a manner that a reasonable person to whom it applies should have noticed it. - Amends TCA Title 39, Chapter 15, Part 2; Title 63, Chapter 6; Title 63, Chapter 9 and Title 68, Chapter 11, Part 2. by *VanHuss.

House Bill No. 1894 -- Education, Higher - As introduced, requires the board of trustees of the University of Tennessee system to submit its report to the governor on the number of students and the workings of the system 10 business days instead of 10 days before the general assembly convenes. - Amends TCA Title 49. by *VanHuss.

House Bill No. 1895 -- Administrative Procedure (UAPA) - As introduced, clarifies definitions of "policy" and "rule" for rulemaking purposes; requires an agency to submit proposed policies to the attorney general for review; prohibits an agency from promulgating rules or implementing policies that infringe on an agency member's freedom of speech; and prescribes that only appointing authorities shall have the power to remove a member from a multi-member governmental entity. - Amends TCA Title 4, Chapter 5. by *Matlock.

House Bill No. 1896 -- Real Property - As introduced, enacts the "Uniform Partition of Heirs Property Act." - Amends TCA Title 29, Chapter 27 and Title 66. by *Matlock.

*House Bill No. 1897 -- Utilities, Utility Districts - As introduced, requires proportionate representation on certain municipal electric utility boards; requires direct payment of tax equivalent amounts to the taxing jurisdictions in the various counties in which a municipal utility's electric plant is located under certain circumstances; eliminates exemptions from the manner in which tax equivalent amounts are directed to certain taxing jurisdictions. - Amends TCA Title 5; Title 6; Title 7; Title 65 and Title 67. by *Brooks H, *Kane, *Staples, *Dunn, *Smith, *Carr, *Moon.

*House Bill No. 1898 -- Utilities, Utility Districts - As introduced, prohibits a member or commissioner of a utility board from being an employee of the utility, an elected official, or having an immediate family member who is an employee of the utility. - Amends TCA Title 5; Title 6; Title 7; Title 8 and Title 65. by *Brooks H.

*House Bill No. 1899 -- Employees, Employers - As introduced, prohibits an employer in this state from discriminating against an applicant for employment or an employee on the basis of disability; requires the employer to provide a reasonable accommodation to the applicant or employee with certain exceptions; establishes procedures and remedies for disability discrimination claims. - Amends TCA Title 4, Chapter 21. by *Brooks K.

*House Bill No. 1900 -- Banks and Financial Institutions - As introduced, extends from July 1, 2018, to July 1, 2020, the provisions permitting a domestic holding company to organize a credit card state bank. - Amends TCA Title 45, Chapter 2, Part 19. by *Brooks K.

House Bill No. 1901 -- Mental Health & Substance Abuse Services, Dept. of - As introduced, establishes a list of accrediting organizations that the department must recognize for its service providers. - Amends TCA Title 33, Chapter 2, Part 4. by *Brooks K.

House Bill No. 1902 -- Education - As introduced, requires THEC to analyze the success of the Tennessee middle college program and to report its findings in its annual report to the education committees of the house of representatives and senate. - Amends TCA Title 49. by *Calfee.

*House Bill No. 1903 -- Taxes - As introduced, requires that 5 percent of state funds in the municipal street aid fund be distributed equally to each municipality instead of all such funds being distributed based on population; reduces state sales tax revenue allocated to general fund; increases state-shared sales tax revenue allocated to municipalities. - Amends TCA Section 54-4-203 and Section 67-6-103. by *Doss.

*House Bill No. 1904 -- Sex Discrimination - As introduced, enacts the "Tennessee Pay Equality Act." - Amends TCA Title 50. by *Clemmons.

House Bill No. 1905 -- Capitol - As introduced, administratively attaches the David Crockett commission to the department of finance and administration; creates a separate account within the treasury to be used to erect a monument; authorizes state funds to be used to erect a monument. - Amends TCA Title 4, Chapter 8, Part 4. by *Hawk.

House Bill No. 1906 -- Education - As introduced, allows students to take the ACT National Career Readiness Certificate examination in lieu of retaking the examination required at grade 11. - Amends TCA Section 49-6-6001. by *Hawk.

House Bill No. 1907 -- Environment and Conservation, Department of - As introduced, extends due date for the commissioner to send report on the status of the implementation of a secure web portal for the submittal of online permit applications to the appropriate legislative committees, from January 31 of each year to February 15. - Amends TCA Title 69 and Title 70. by *Hawk.

House Bill No. 1908 -- Taxes, Real Property - As introduced, requires owners of property that is exempt from property tax and being used as an intermediate care facility for individuals with intellectual disabilities to agree to make payments in lieu of tax to the local taxing jurisdiction if the facility is located in a county with fewer than 8,000 people per facility. - Amends TCA Title 33; Title 67, Chapter 5 and Title 71, Chapter 5. by *Hawk.

House Bill No. 1909 -- Animal Cruelty and Abuse - As introduced, applies the criminal offense of animal cruelty to the restraint of a dog with a chain, cord, tether, cable, or similar device while a disaster is imminent or occurring. - Amends TCA Title 39 and Title 44, Chapter 17. by *Hawk.

*House Bill No. 1910 -- Utilities, Utility Districts - As introduced, prohibits a utility from charging its customers whose utility services are provided through the use of a smart meter and whose utility services have been disconnected due to nonpayment a fee to reconnect utility services. - Amends TCA Title 7; Title 47, Chapter 18 and Title 65. by *Parkinson.

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- *House Bill No. 1911 -- Economic and Community Development As introduced, amends the "Visual Content Act of 2006" to become the "Visual Content Development and Training Act"; permits grants to certain entities related to motion pictures, television, videogaming, or digital media for purposes of expanding job and business ownership opportunities in these industries. Amends TCA Title 4, Chapter 3, Part 49 and Title 4, Chapter 3, Part 50. by *McCormick.
- *House Bill No. 1912 -- Boards and Commissions As introduced, creates the Tennessee advanced communication network board for the purpose of overseeing the planning, design, development, implementation, and maintenance of a statewide wireless interoperable communications system, functions performed presently by the Tennessee public safety wireless communications advisory board pursuant to executive order. Amends TCA Title 4, Chapter 29, Part 2 and Title 4, Chapter 3. by *Farmer.
- *House Bill No. 1913 -- Utilities, Utility Districts As introduced, authorizes a municipality in McNairy or Fayette County to fund chambers of commerce and economic and community organizations with revenue from a natural gas utility system owned by the municipality. Amends TCA Title 7, Chapter 34. by *Gant.
- *House Bill No. 1914 -- Utilities, Utility Districts As introduced, authorizes a municipality to fund chambers of commerce and economic and community organizations with revenue from a natural gas utility system owned by the municipality. Amends TCA Title 7, Chapter 34. by *Gant.
- *House Bill No. 1915 -- Taxes, Sales As introduced, exempts from the sales and use tax the sale of platinum, gold, or silver bullion, the sale of numismatic coins that are sold for less than \$10,000, and the sale of numismatic coins at a national, statewide, or multi-county trade show. Amends TCA Title 67, Chapter 6. by *Gant.
- *House Bill No. 1916 -- Business Organizations As introduced, revises the Uniform Limited Partnership Act. Amends TCA Title 61. by *Goins.
- *House Bill No. 1917 -- Labor As introduced, extends repeal date for the Go Build Tennessee Program, from July 1, 2019, to July 1, 2024; deletes restriction that funds collected from contractor licensing revenue be used only to fund career and technical education programs and other certified and nationally accredited programs. Amends TCA Title 4, Chapter 41 and Title 62, Chapter 6, Part 1. by *Williams, *Camper, *Powell.
- *House Bill No. 1918 -- General Assembly As introduced, subjects all files concerning complaints initiated under either the former sexual harassment policy or the current workplace discrimination and harassment policy to public disclosure upon completion of proceedings; requires information concerning the identity of the complainant to be redacted prior to disclosure. Amends TCA Title 3. by *Matheny.
- **House Bill No. 1919** -- Taxes, Sales As introduced, requires the department of revenue to report to the finance, ways and means committees on the number of printed and digital periodicals exempt from sales and use tax, including the annual revenue loss and any recommendations. Amends TCA Title 29; Title 47 and Title 67, Chapter 6. by *Matheny.

*House Bill No. 1920 -- Planning, Public - As introduced, prevents new or amended subdivision regulations proposed by a regional planning commission from taking effect until approved by the county legislative body of any county, and by the governing body of any municipality, lying wholly or partly within the region; removes requirement that a regional planning commission hold a public hearing on subdivision regulations prior to adoption. - Amends TCA Title 13. by *Staples.

*House Bill No. 1921 -- County Government - As introduced, requires members of county legislative bodies, initially after election or appointment, to complete orientation training provided by the University of Tennessee's county technical advisory service (CTAS); requires the members to complete seven hours of annual continuing education training provided by CTAS; requires the comptroller of the treasury to post online the names of members and their status with respect to compliance with the training requirements. - Amends TCA Title 5, Chapter 5. by *Wirgau.

*House Bill No. 1922 -- Education, Dept. of - As introduced, requires the department to provide standardized assessment results no later than two weeks after the date of submission by an LEA for use in teacher effect data, instead of providing raw score data, no later than June 30; requires the department to provide end-of-course examination results no later than two weeks after the date of submission by an LEA. - Amends TCA Title 49, Chapter 1, Part 6. by *Forgety.

House Bill No. 1923 -- Tourism - As introduced, adds the fiscal review committee to list receiving a synopsis of the annual conference and convention center facilities compliance report from a local government with a covered qualified public use facility. - Amends TCA Title 3; Title 4; Title 5; Title 6; Title 7; Title 8; Title 9; Title 57 and Title 67. by *McDaniel, *Sargent.

*House Bill No. 1924 -- Real Property - As introduced, codifies common law creation of joint tenancy with right of survivorship through express language in a conveying instrument; prevents a joint tenancy with right of survivorship from being unilaterally severed. - Amends TCA Title 66. by *Keisling.

*House Bill No. 1925 -- Mental Illness - As introduced, requires the commissioner of mental health and substance abuse services to study issues relating to the need for revisions to statutes governing mandatory outpatient treatment in light of the experience of the pilot project concerning assisted outpatient treatment under Tennessee Code Annotated, Section 33-6-624 and to report the findings and recommendations of the study to the health committee of the house of representatives and the health and welfare committee of the senate on or before January 15, 2019. - Amends TCA Title 33. by *Rudd.

*House Bill No. 1926 -- Liens - As introduced, increases from \$3.00 to \$5.00 the fee that the register may charge for execution of a marginal release of a lien. - Amends TCA Title 8; Title 47; Title 62 and Title 66. by *Rudd.

House Bill No. 1927 -- Physicians and Surgeons - As introduced, prohibits a healthcare facility, health insurance entity or a mental healthcare facility from discriminating against a physician on the basis of the physician's deciding not to participate in maintenance of licensure or maintenance of certification. - Amends TCA Title 33; Title 56, Chapter 7 and Title 68. by *Williams.

House Bill No. 1928 -- Education - As introduced, requires the department of education to survey the LEAs as to the early postsecondary courses the LEAs are offering and report back so that partnerships to offer courses may more readily be formed. - Amends TCA Title 49. by *Moody.

- *House Bill No. 1929 -- Zoning As introduced, reduces from eight to six the number of unrelated persons with disabilities who may reside in a home classified under any Tennessee zoning law as a "single family residence"; authorizes municipalities to adopt an ordinance requiring sober living homes to provide notification to the municipality of certain information regarding the home and establish and comply with an operational plan. Amends TCA Title 13, Chapter 24, Part 1. by *Curcio.
- *House Bill No. 1930 -- Criminal Offenses As introduced, punishes the offense of promotion of prostitution the same as trafficking for a commercial sex act if the victim has an intellectual disability. Amends TCA Title 39, Chapter 13, Part 5. by *Coley, *Moody, *Curcio.
- *House Bill No. 1931 -- Child Custody and Support As introduced, authorizes the department of children's services to reimburse certain relative caregivers that have custody of a child that is at-risk for entering state custody. Amends TCA Title 37 and Title 71. by *Staples.
- *House Bill No. 1932 -- Tobacco, Tobacco Products As introduced, designates "hotels," "parks," "public property," "age-restricted venues," and "private clubs" as local government exemptions to state tobacco products preemption law; allows local governments to regulate the use of tobacco products in those areas. Amends TCA Title 39, Chapter 15 and Title 39, Chapter 17. by *Ramsey.
- *House Bill No. 1933 -- Election Laws As introduced, reduces from 90 days to 60 days the period before a qualifying deadline for elective office during which nominating petitions may be issued by an administrator, deputy, county election commissioner, or employee of the coordinator's office, other than nominating petitions for the offices of the President of the United States and delegates to the national conventions of all statewide political parties. Amends TCA Section 2-5-102. by *Sanderson.
- **House Bill No. 1934** -- Pest Control As introduced, requires applicators to notify the department of agriculture prior to making aerial applications of pesticides via an online reporting system, instead of notifying county sheriff's offices. Amends TCA Title 43, Chapter 8. by *Sanderson.
- **House Bill No. 1935** -- Insurance Companies, Agents, Brokers, Policies As introduced, authorizes certain insureds, or other persons entitled to benefits under a policy, to assign their benefits to a healthcare provider; authorizes an insurer to disregard such assignments under certain circumstances; prohibits healthcare providers, and healthcare facilities and providers in such facilities, from collecting out-of-network charges unless certain requirements are met. Amends TCA Title 8; Title 56; Title 63 and Title 68. by *Zachary.
- **House Bill No. 1936** -- Criminal Offenses As introduced, enacts "Henry's Law"; requires that a person convicted for second degree murder resulting from unlawful distribution of

Schedule I or II drug where victim is a minor be sentenced, at a minimum, as a Range II offender. - Amends TCA Section 39-13-210 and Title 40, Chapter 35. by *Zachary.

*House Bill No. 1937 -- Hotels and Restaurants - As introduced, increases the time an operator of a hotel must preserve records associated with providing accommodations and assessment of the hotel tax from three years to four years. - Amends TCA Title 5; Title 6; Title 7; Title 13; Title 56; Title 62; Title 66; Title 67 and Title 68. by *Sargent.

House Bill No. 1938 -- Political Parties - As introduced, prohibits a statewide political party or recognized minor party from adopting a party rule that would preclude an honorably discharged veteran from qualifying as a candidate for office based on the number of times the veteran voted during the previous three general elections. - Amends TCA Title 2, Chapter 13, Part 1. by *Ragan, *Reedy, *Clemmons, *Moon, *Camper.

House Bill No. 1939 -- Firearms and Ammunition - As introduced, allows county commissioner in the actual discharge of the commissioner's duties who has a valid handgun carry permit to carry in buildings in which judicial proceedings are taking place if county commission meetings are also held in the building. - Amends TCA Title 39, Chapter 17, Part 13. by *Ragan.

House Bill No. 1940 -- Domestic Violence - As introduced, requires persons committing domestic assault or violating an order of protection to be placed on a domestic abuse registry maintained by the TBI for a period of 10 years from the date of conviction. - Amends TCA Title 36, Chapter 3, Part 6 and Title 39, Chapter 13, Part 1. by *Ragan.

*House Bill No. 1941 -- General Assembly - As introduced, requires facilities manager to ensure the official flag of the general assembly is flown outside the Cordell Hull Building. - Amends TCA Title 2 and Title 3. by *Williams.

House Bill No. 1942 -- Local Government, General - As introduced, reduces, from 20 percent to 15 percent, the minimum number of registered voters in a city required to submit a petition requesting an election to adopt a modified city manager-council charter. - Amends TCA Title 5; Title 6; Title 7; Title 8 and Title 12. by *Wirgau.

*House Bill No. 1943 -- Election Laws - As introduced, removes early voting period for elections not held in conjunction with the August or November general election or held in conjunction with the May primary or presidential preference primary if there is no opposition for any offices on the ballot including write-in candidates; revises other election provisions. - Amends TCA Section 2-2-111(d); Section 2-4-107 and Section 2-6-102. by *Wirgau.

*House Bill No. 1944 -- Interest Rates - As introduced, changes the application of interest rates to the amount financed instead of the total amount of the loan with regard to certain loans made by industrial loan and thrift companies, - Amends TCA Title 45, Chapter 5. by *Casada.

*House Bill No. 1945 -- Local Education Agencies - As introduced, requires an LEA that unsuccessfully sues the state to pay reasonable costs and expenses, including reasonable attorney fees, attributable to the attorney general and reporter's defense of the state. - Amends TCA Title 8, Chapter 6 and Title 49. by *Casada.

*House Bill No. 1946 -- General Assembly - As introduced, authorizes the speaker of the house of representatives and the speaker of the senate, jointly, or a majority of the members of both houses of the general assembly to intervene in any proceeding in which the constitutionality of a statute is challenged or to assert the general assembly's constitutional authority. - Amends TCA Title 8, Chapter 6. by *Casada.

*House Bill No. 1947 -- Sexual Offenders - As introduced, defines "playground" for purposes of sexual offender restrictions as any outdoor facility that is intended for recreation of children and owned by the state, a local government, or a not-for-profit organization. - Amends TCA Title 39 and Title 40. by *Casada.

*House Bill No. 1948 -- Alcoholic Beverages - As introduced, authorizes the manufacturing of intoxicating liquors and drinks in Lenoir City. - Amends TCA Title 57. by *Casada.

House Bill No. 1949 -- Remedies and Special Proceedings - As introduced, allows a cause of action for any affected person who seeks declaratory and injunctive relief in any action brought regarding the legality or constitutionality of a governmental action, but such action does not include damages. - Amends TCA Title 1, Chapter 3. by *Casada.

HOUSE BILLS ON SECOND CONSIDERATION

On motion, bills listed below passed second consideration and were referred by the Speaker to Committee or held on the Clerk's desk as noted:

*House Bill No. 1838 -- Education, Higher -- House Education Administration & Planning Committee

*House Bill No. 1839 -- Human Rights -- House Civil Justice Committee

House Bill No. 1840 -- Codes -- House Business and Utilities Committee

*House Bill No. 1841 -- Child Custody and Support -- House Civil Justice Committee

*House Bill No. 1842 -- Alcoholic Beverages -- House State Government Committee

*House Bill No. 1843 -- Alcoholic Beverage Commission -- House State Government Committee

House Bill No. 1844 -- State Government -- House State Government Committee

*House Bill No. 1845 -- Dentists and Dentistry -- House Health Committee

*House Bill No. 1846 -- Public Health -- House Education Administration & Planning Committee

House Bill No. 1847 -- Election Laws -- House Local Government Committee

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House Bill No. 1848 -- Hospitals and Health Care Facilities -- House Health Committee

House Bill No. 1849 -- Public Records -- House Civil Justice Committee

*House Bill No. 1850 -- Motor Vehicles -- House Transportation Committee

*House Bill No. 1851 -- Firearms and Ammunition -- House Criminal Justice Committee

*House Bill No. 1852 -- Orders of Protection -- House Civil Justice Committee

House Bill No. 1853 -- Campaigns and Campaign Finance -- House Local Government Committee

House Bill No. 1854 -- Juries and Jurors -- House Civil Justice Committee

House Bill No. 1855 -- Education, Dept. of -- House Education Instruction & Programs Committee

*House Bill No. 1856 -- Adoption -- House Civil Justice Committee

*House Bill No. 1857 -- Pharmacy, Pharmacists -- House Insurance and Banking Committee

*House Bill No. 1858 -- Highway Signs -- House Transportation Committee

*House Bill No. 1859 -- Motor Vehicles, Titling and Registration -- House Transportation Committee

*House Bill No. 1860 -- Taxes, Exemption and Credits -- House Finance, Ways & Means Committee

House Bill No. 1861 -- Domestic Violence -- House Consumer and Human Resources Committee

*House Bill No. 1862 -- Criminal Procedure -- House Criminal Justice Committee

House Bill No. 1863 -- Education -- House Education Instruction & Programs Committee

*House Bill No. 1864 -- Criminal Offenses -- House Criminal Justice Committee

House Bill No. 1865 -- Pensions and Retirement Benefits -- House Finance, Ways & Means Committee

*House Bill No. 1866 -- Sentencing -- House Criminal Justice Committee

House Bill No. 1867 -- Public Health -- House Agriculture and Natural Resources Committee

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*House Bill No. 1868 -- Capitol -- House State Government Committee

House Bill No. 1869 -- Traffic Safety -- House Transportation Committee

*House Bill No. 1870 -- Schools, Charter -- House Education Instruction & Programs Committee

*House Bill No. 1871 -- Controlled Substances -- House Health Committee

House Bill No. 1872 -- Powers of Attorney -- House Civil Justice Committee *House Bill No. 1873 -- Insurance, Health, Accident -- House Insurance and Banking Committee

House Bill No. 1874 -- Pharmacy, Pharmacists -- House Health Committee

House Bill No. 1875 -- Livestock -- House Agriculture and Natural Resources Committee

*House Bill No. 1876 -- Hospitals and Health Care Facilities -- House Health Committee

*House Bill No. 1877 -- State Government -- House State Government Committee

House Bill No. 1878 -- Historical Sites and Preservation -- House State Government Committee

*House Bill No. 1879 -- Consumer Protection -- House Consumer and Human Resources Committee

*House Bill No. 1880 -- Schools, Charter -- House Education Instruction & Programs Committee

House Bill No. 1881 -- State Government -- House State Government Committee

*House Bill No. 1882 -- Sports -- House Business and Utilities Committee

*House Bill No. 1883 -- Controlled Substances -- House Criminal Justice Committee

House Bill No. 1884 -- Professions and Occupations -- House Business and Utilities Committee

*House Bill No. 1885 -- Sexual Offenses -- House Criminal Justice Committee

House Bill No. 1886 -- Process, Service of -- House Civil Justice Committee

*House Bill No. 1887 -- Taxes, Exemption and Credits -- House Finance, Ways & Means Committee

*House Bill No. 1888 -- Schools, Charter -- House Education Instruction & Programs Committee

CONSENT CALENDAR

House Resolution No. 188 -- Memorials, Death - Preston Shannon, "The King of Beale Street". by *Cooper.

House Joint Resolution No. 657 -- Memorials, Death - Representative Raymond Walker. by *Travis.

House Joint Resolution No. 658 -- Memorials, Professional Achievement - Dorothy Watson, Master Ambassador for Education, Tennessee School Board Association. by *Keisling.

House Joint Resolution No. 659 -- Memorials, Professional Achievement - Dr. Nancy Williamson, Master Ambassador for Education, Tennessee School Board Association. by *Keisling.

House Joint Resolution No. 660 -- Memorials, Recognition - Garrett Franklin, 4-H Skillathon National Champion. by *Keisling.

House Joint Resolution No. 661 -- Memorials, Personal Occasion - Lawrence Dyer, 100th birthday. by *Keisling.

House Joint Resolution No. 662 -- Memorials, Academic Achievement - Aaron Johnson, Outstanding Student Award, Walters State Basic Law Enforcement Academy. by *Keisling.

House Joint Resolution No. 663 -- Memorials, Death - Lloyd Freeman Driver. by *Keisling.

House Joint Resolution No. 664 -- Memorials, Personal Achievement - Jonathan Norris, Eagle Scout. by *Keisling.

House Joint Resolution No. 665 -- Memorials, Personal Achievement - Tyler Little, Eagle Scout. by *Keisling.

House Joint Resolution No. 666 -- Memorials, Personal Occasion - John Mark and Louise Hayes, 75th wedding anniversary. by *Keisling.

House Joint Resolution No. 667 -- Memorials, Death - William "Bill" Napier. by *Keisling.

House Joint Resolution No. 668 -- Memorials, Retirement - Anthony Hale. by *Keisling.

House Joint Resolution No. 669 -- Memorials, Retirement - Ralph Law. by *Keisling.

House Joint Resolution No. 670 -- Memorials, Retirement - Joe Simmons. by *Keisling.

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House Joint Resolution No. 671 -- Memorials, Recognition - Kaidance Lewallen, Volunteer Leadership Award. by *Keisling.

House Joint Resolution No. 672 -- Memorials, Recognition - Christian Phillips, Volunteer Leadership Award. by *Keisling.

House Joint Resolution No. 673 -- Memorials, Recognition - Dr. Jeanny Hatfield, Educational Leader Award. by *Keisling.

House Joint Resolution No. 674 -- Memorials, Recognition - Bill Hall, Educational Leader Award. by *Keisling.

House Joint Resolution No. 675 -- Memorials, Recognition - Wayne King, Business Leader Award. by *Keisling.

House Joint Resolution No. 676 -- Memorials, Recognition - Trent Coffey, Community Leader Award. by *Keisling.

House Joint Resolution No. 677 -- Memorials, Death - Delton Ray Doss. by *Keisling.

House Joint Resolution No. 678 -- Memorials, Sports - Billy Hall, NAIA Offensive Player of the Game. by *Keisling.

House Joint Resolution No. 679 -- Memorials, Sports - Tim Adkins. by *Keisling.

House Joint Resolution No. 680 -- Memorials, Death - Joe Dan Fox. by *Keisling.

House Joint Resolution No. 681 -- Memorials, Personal Occasion - Christine Lacy, 90th birthday. by *Keisling.

House Joint Resolution No. 682 -- Memorials, Personal Occasion - Elese Archer, 99th birthday. by *Keisling.

House Joint Resolution No. 685 -- Memorials, Personal Achievement - Jason Emert, Chairman of Young Republican National Federation. by *Keisling.

Senate Joint Resolution No. 480 -- Memorials, Recognition - Gallatin, "Nicest Place in America". by *Haile, *Stevens.

Senate Joint Resolution No. 486 -- Memorials, Death - Dr. Burgin H. Wood. by *Yager, *McNally.

Senate Joint Resolution No. 487 -- Memorials, Death - Glenn John Chaple. by *Yager.

Senate Joint Resolution No. 488 -- Memorials, Death - Don McMurray. by *Yager.

Senate Joint Resolution No. 489 -- Memorials, Death - Wester Doyle "Bud" Chapman. by *Yager.

Senate Joint Resolution No. 490 -- Memorials, Death - Tommy C. Stiner. by *Yager.

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Senate Joint Resolution No. 491 -- Memorials, Death - Thomas Paul Pemberton. by *Yager.

Senate Joint Resolution No. 493 -- Memorials, Retirement - Dr. Gary Weedman. by *Massey, *Briggs, *McNally.

Rep. Travis moved that all members voting aye on House Joint Resolution No. 657 be added as co-prime sponsors, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Holt and Ragan.

Pursuant to **Rule No. 50**, Rep. Dunn moved that all House Bills having companion Senate Bills and are on the Clerk's desk be conformed and substituted for the appropriate House Bill, all Senate and House Bills on the Consent Calendar be passed on third and final consideration, all House Resolutions and House Joint Resolutions be adopted, and all Senate Joint Resolutions on the Consent Calendar be concurred in, which motion prevailed by the following vote:

Ayes	97
Noes	0

Representatives voting aye were: Akbari, Alexander, Beck, Boyd, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carr, Carter, Casada, Clemmons, Coley, Cooper, Crawford, Curcio, Daniel, DeBerry, Doss, Dunn, Eldridge, Faison, Farmer, Favors, Fitzhugh, Forgety, Gant, Gilmore, Goins, Gravitt, Halford, Hardaway, Hawk, Hazlewood, Hicks, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, Miller, Mitchell, Moody, Moon, Parkinson, Pitts, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Rudd, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Sherrell, Smith, Sparks, Staples, Stewart, Terry, Thompson, Tillis, Travis, Turner, Van Huss, Vaughan, Weaver, White D., White M., Whitson, Williams, Windle, Wirgau, Zachary, Madame Speaker Harwell -- 97

A motion to reconsider was tabled.

PRESENT IN CHAMBER

Rep. Towns was recorded as being present in the Chamber.

UNFINISHED BUSINESS

BILLS WITHDRAWN

On motion of Rep. Hulsey, **House Bill No. 1696** was recalled from the Civil Justice Committee and withdrawn from the House.

ANNOUNCEMENTS

RULES SUSPENDED

2819

Rep. Mitchell moved that the rules be suspended for the immediate consideration of Senate Joint Resolution No. 531 out of order, which motion prevailed.

Senate Joint Resolution No. 531 -- Memorials, Death - Senator Joe Haynes. by *McNally, *Dickerson.

On motion of Rep. Mitchell, the resolution was concurred in.

A motion to reconsider was tabled.

Rep. Fitzhugh moved all members voting in the affirmative be added to Senate Joint Resolution No. 531 which motion prevailed, with the following members not added pursuant to the Sponsor Exclusion forms: Butt, Holt and Ragan.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Bill No. 823 Rep. Hardaway as prime sponsor.

House Bill No. 955 Rep. Doss as prime sponsor.

House Bill No. 1061 Rep. Staples as prime sponsor.

House Bill No. 1377 Rep. Casada as prime sponsor.

House Bill No. 1457 Reps. Howell, Rudd, Farmer, Littleton, D. White, Crawford, Lollar, Curcio, Carr, Smith and Faison as prime sponsors.

House Bill No. 1466 Rep. Hardaway as prime sponsor.

House Bill No. 1467 Rep. Hardaway as prime sponsor.

House Bill No. 1532 Reps. Smith, Daniel, Kane, H. Brooks, Staples, Sherrell and Dunn as prime sponsors.

House Bill No. 1540 Rep. Staples as prime sponsor.

House Bill No. 1549 Reps. Pitts, Butt, Rudd, Boyd, Byrd, Gravitt, Love, D. White, Stewart and Casada as prime sponsors.

House Bill No. 1686 Reps. Kane, Forgety, Byrd and H. Brooks as prime sponsors.

House Bill No. 1749 Rep. Ramsey as prime sponsor.

House Bill No. 1803 Reps. Alexander, Howell, Windle, Calfee, T. Hill, Crawford and Pitts as prime sponsors.

2820

House Bill No. 1804 Rep. Daniel as prime sponsor.

House Bill No. 1805 Rep. Daniel as prime sponsor.

House Bill No. 1903 Reps. Byrd, Fitzhugh, Faison, Matheny, Alexander, Holt, Sanderson, Calfee, Howell, K. Brooks, Tillis, Marsh, T. Hill, M. Hill, Van Huss, Eldridge, Farmer and Windle as prime sponsors.

House Bill No. 1937 Rep. Carr as prime sponsor.

MESSAGE FROM THE GOVERNOR January 29, 2018

MADAM SPEAKER: I am directed by the Governor to return herewith: House Joint Resolutions Nos. 582, 584, 585, 586, 587, 588, 589, 590, 592, 594 and 595; with his approval.

DWIGHT E. TARWATER, Legal Counsel to the Governor

MESSAGE FROM THE SENATE January 29, 2018

MADAM SPEAKER: I am directed to return to the House, House Joint Resolutions Nos. 605, 606, 607, 608, 609, 610, 611, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633 and 634; concurred in by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

MESSAGE FROM THE SENATE January 29, 2018

MADAM SPEAKER: I am directed to transmit to the House, Senate Joint Resolutions Nos. 495, 496, 497, 498, 499, 500, 501, 502, 503, 504 and 505; adopted, for the House's action.

RUSSELL A. HUMPHREY, Chief Clerk

Senate Joint Resolution No. 495 -- Memorials, Recognition - Jack Pearson. by *Dickerson.

Senate Joint Resolution No. 496 -- Memorials, Public Service - Nashville Predators Foundation. by *Dickerson.

Senate Joint Resolution No. 497 -- Memorials, Recognition - Shen Yun Performing Arts. by *Briggs.

Senate Joint Resolution No. 498 -- Memorials, Recognition - Kenneth W. Lowe. by *Massey, *Briggs.

2821

Senate Joint Resolution No. 499 -- Memorials, Recognition - Selmer First United Methodist Church, 125th anniversary. by *Gresham.

Senate Joint Resolution No. 500 -- Memorials, Death - Robert Jones. by *Gresham.

Senate Joint Resolution No. 501 -- Memorials, Death - Dr. H.K. Sorrell. by *Gresham.

Senate Joint Resolution No. 502 -- Memorials, Death - Peter Lucius "Pete" Reagan. by *Gresham.

Senate Joint Resolution No. 503 -- Memorials, Death - William Franklin Tapp. by *Gresham.

Senate Joint Resolution No. 504 -- Memorials, Death - John Payson Matthews III. by *Gresham.

Senate Joint Resolution No. 505 -- Memorials, Death - Robert William McGowan, Jr. by *Gresham.

ROLL CALL

The roll call was taken with the following results:	
Present9	98

Representatives present were Akbari, Alexander, Beck, Boyd, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carr, Carter, Casada, Clemmons, Coley, Cooper, Crawford, Curcio, Daniel, DeBerry, Doss, Dunn, Eldridge, Faison, Farmer, Favors, Fitzhugh, Forgety, Gant, Gilmore, Goins, Gravitt, Halford, Hardaway, Hawk, Hazlewood, Hicks, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, Miller, Mitchell, Moody, Moon, Parkinson, Pitts, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Rudd, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Sherrell, Smith, Sparks, Staples, Stewart, Terry, Thompson, Tillis, Towns, Travis, Turner, Van Huss, Vaughan, Weaver, White D., White M., Whitson, Williams, Windle, Wirgau, Zachary, Madame Speaker Harwell -- 98

RECESS

On motion of Rep. Casada, pursuant to Senate Joint Resolution No. 516 the House stood in a brief recess prior to joining the Senate in Joint Convention to hear Governor Haslam's State of the State Address at the conclusion of which the House stood in recess until 9:00 a.m., Wednesday, January 31, 2018.

IN JOINT CONVENTION

STATE OF THE STATE ADDRESS

MONDAY, JANUARY 29, 2018

The hour having arrived, set by Senate Joint Resolution No. 516, the Senate met with the House in Joint Convention for the purpose of hearing the State of the State Address from Governor Bill Haslam.

The Joint Convention was called to order by Madam Speaker Harwell, President of the Joint Convention.

On motion of Senator Norris, the roll call of the Senate was dispensed with.

On motion of Representative Casada, the roll call for the House was dispensed with.

Thereupon, the Clerk of the Senate read Senate Joint Resolution No. 516, authorizing the Joint Convention.

Senator Norris moved that the President of the Joint Convention appoint a Committee composed of five members from the Senate and five members from the House of Representatives to notify the Governor that the Joint Convention is in session and awaiting his arrival.

Madam President Harwell appointed Senators Norris, Ketron, Harper, Tate and Pody; Representatives Faison, McDaniel, K. Brooks, Akbari and Sargent. Senator Norris served as Chair of the Committee.

RECESS MOTION

Without objection, Madam President Harwell moved that the Joint Convention stand in recess pending the arrival of Governor Bill Haslam.

RECESS EXPIRED

The recess having expired, the Joint Convention was called to order by Madam President Harwell.

Madam President Harwell recognized Senator Jackson at the entrance of the House Chamber, who stated "Thank you Madam President Harwell, the escort Committee is proud to welcome Bill Haslam, the 49th Governor of the State of Tennessee."

Madam President Harwell asked the Committee to escort Governor Bill Haslam to the podium.

Madam President Harwell stated, "Members of the General Assembly, it is my distinguished honor to present to you the Honorable Bill Haslam, Governor of the Great State of Tennessee."

State of the State Address "Tennessee Will Lead" January 29, 2018

Lieutenant Governor McNally, Speaker Harwell, Speakers Pro Tem Haile and Johnson, Members of the 110th General Assembly, Constitutional Officers, Justices, General Slatery, Commissioners, Friends, Guests, fellow Tennesseans, and to the girl from Memphis that I met 42 years ago and still have a crush on today. Crissy.

So, nine years ago this month, with Crissy and my family standing beside me, I announced that I was going to follow a calling that I felt to run for Governor of Tennessee. Later, Crissy would gently and kindly remind me that it was good to feel called to run, but it was an election that would determine if I was actually called to be Governor. I will always be grateful that the people of Tennessee gave me this chance to have what I still think is the greatest job in the whole world.

So seven years ago, for the first time, I had the honor and privilege of speaking to you in my first State of the State address. I can remember standing in the back, waiting to be announced, and realizing it was only about the third time I had ever even been in the house chamber. To be honest, there were a lot of things that I didn't know. But, there was one thing that I did know with great conviction.

At that first State of the State address, I stood before you and said, if we will make the right plans and decisions, then the state of Tennessee can compete with any state in the nation.

Well, I'm sure a lot of people wondered, well, can we really compete with the very best? But then, a lot of people wondered if Nashville, Tennessee could really have a hockey team. And if they did, would anybody show up for games? The 2017 Western Conference Champion Predators answered that.

Or, people once wondered if a start-up company in Memphis could really build a business of delivering overnight packages all over the world. Or, if a country girl from Sevierville, or a brown liquid from Lynchburg, could both become known around the world by just their first names. We all know how Fed Ex, Dolly and Jack turned out.

So seven years later, it's time to ask ourselves – how are we doing at competing with and against the very best?

The answer: We're doing really well. In the short time we've worked together, we have become one of the very best destinations to live, work and raise a family.

Because of our commitment to jobs and education and conservative fiscal policy:

• Tennessee has a job growth rate greater than 17 percent, far above the national average, with nearly 400,000 net new private sector jobs created.

2824

- We've added more than \$1.3 billion into K-12 education, with nearly \$450 million more
 going to teacher salaries. And thanks to the hard work and dedication of our educators
 and parents, and the additional accountability to our system, our children are the fastest
 improving students in the nation, across math, reading and science.
- So you'd think we did all of this by raising taxes the way other states have, but in Tennessee we've cut taxes by \$572 million annually, with policies in place to reduce taxes even more in years to come.
- Additionally, we've cut year-to-year spending by \$578 million. Most states would have found such a task insurmountable, but we didn't just do those things, we did them while tripling our Rainy Day Fund and decreasing our debt.

What does this mean for our average citizens who have placed their trust in us?

- Regarding jobs, last year I told you more Tennesseans had a job than at any other point in state history. This year we have dramatically improved on that. Our unemployment rate has dropped from 5.1 percent to 3 percent, the lowest rate in our state's 222-year history.
- In education, Tennessee students are posting the largest gains in the country. We're making increasing gains in the ACT, and we have the highest high school graduation rates the state has ever seen. And while other states struggle to improve access to higher education, we created Tennessee Promise and Tennessee Reconnect, so that all Tennesseans have access to college, free of tuition and fees.
- As it relates to being trusted stewards of the people's money, we have accomplished all
 of those things while Tennesseans pay some of the lowest taxes in the nation, if not the
 very lowest.

Seven years ago, we began changing our expectations. In doing so, we realized we could compete with any state. Well, maybe that should have been a foregone conclusion, but at the time remember federal funds were vanishing, we were contending with a one billion-dollar hole in the state budget.

But, because of our willingness to make tough calls and take on challenges, Tennessee grew stronger.

The kind of progress we are talking about has not happened for many other states. I'll remind you that even in this healthy economy, many states are facing deficits. This kind of fiscal responsibility matters because people count on us to deliver critical services whether the economy is good or bad.

You see, Tennessee's success didn't just happen, we didn't just get lucky. We have made tough decisions together and focused on solving problems. That's how real progress is made.

So let me be clear, because of the effectiveness of our work, Tennessee is in a better place today than it has ever been before.

But you and I learned a long time ago, 'to whom much is given, much is expected.'

This evening, I'm proposing a bold new challenge. I want Tennessee to lead the nation in jobs, education and government efficiency. I don't just want us to compete; I want us to be the best.

Seven years ago we raised our expectations. We became the kind of leaders who didn't just talk about cutting taxes and enhancing services, we actually did lower taxes while at the same time growing our economy and providing access to high quality education. We cannot lose the momentum we have worked so hard to build.

Now is the time to ask ourselves this question, can Tennessee really lead the nation? And just as important, why should we want to do that?

Our reasons for desiring to lead are simple.

Our country's founding fathers established the states as laboratories for democracies, each state could choose its own path and learn what works. In Tennessee, we now know what works.

We've seen extraordinary job gains and now, now we must continue to fuel the jobs machine that we've created here in Tennessee.

We've gone from the back of the pack in education results to being a state frequently cited as an innovator - now, now we have the opportunity to accelerate those gains.

And, working together, our record of low taxes and low debt now position us to be the very best stewards of the people's money.

You know this is a time when American people are frustrated. They're frustrated with political gridlock, but Tennessee can lead the charge in showing the country what it means to actually solve problems.

Can we lead? The answer is yes. Tennessee can and will lead, and I am confident that the Tennessee way of providing opportunity, while ensuring accountability, will prevail.

So okay Haslam, why did you pick jobs, education and government efficiency to measure ourselves?

Because by continuing to fuel the jobs machine we've created here in Tennessee, we lift up the already high quality of life in this great state. See, jobs are created when businesses put capital at risk, so we've focused on fostering the very best business environment.

Because every business is looking for predictability, we passed tort reform and workers' compensation reform to bring our state into a more competitive position and make our business environment more predictable for businesses looking to grow or to locate here. Today, our worker's compensation rates are 40 percent below what they were before we passed that law.

We restructured our Department of Economic and Community Development and they began to focus on the unique assets in each region of our state. The state's FastTrack program began to steer away from tax credits and began to focus on grants with a better return for our citizens.

And this past year, the IMPROVE Act strategically focused on economic development from multiple angles. Good roads lead to good jobs. By providing a safe and reliable transportation network, we're making sure that the next generation of Tennesseans have access to the high quality jobs made possible by a robust transportation system.

The IMPROVE Act also cut taxes for manufacturing businesses, a strategic advantage that we focused on because, for every manufacturing job that is created, there are three to four other jobs that come with it, and businesses are already coming to Tennessee because of the change you made last year.

For all of our efforts, Tennessee is now being recognized for the jobs machine that we have created. During this administration, Tennessee was named the number one state for Advanced Industry Job Growth by The Brookings Institution. We were named State of the Year for Economic Development by Business Facilities magazine, not once, but twice, becoming the only state ever to win back-to-back years. Additionally, we ranked No. 1 for new jobs resulting from foreign direct investment. And very importantly to all of us in this room, during 2017 alone, 45 percent of Tennessee's new job commitments were located in our rural communities.

So, in addition to all of these economic development strategies, there's an even more critical step that we've taken.

We quickly realized together, if we could not provide businesses looking at expanding here or locating here the skilled workforce needs for 21st century jobs, those businesses would go elsewhere. And if we could not offer new businesses coming to Tennessee a quality K-12 education for their own children, well, those businesses would go elsewhere too.

I want to be really clear – when we talk about jobs, we are also talking about education. We are talking about the ability for every Tennessean to realize his or her potential. We are talking about the God-designed gift that is the joy of learning. And we are talking about the importance of creating a solid foundation for every child in Tennessee to enjoy a meaningful and productive life. So when we talk about education, we truly are talking about the very future and success of this state that we love.

Tennessee is now viewed as a change agent, an innovator in the world of public education. By accelerating the gains we've made and, most importantly, staying true to the reforms in place, we will ensure that no matter how much money a family has, and no matter what neighborhood a child grows up in, every student will have the opportunity to learn.

We've introduced accountability into teacher tenure, treating it more like the honored profession that it is. Back in 2012, we asked our teachers if they believed the teacher evaluation process used in their school led to improvements in their teaching. Thirty-eight percent of our teachers believed it had. Five years later, the number of teachers reporting that the evaluation process has improved their teaching has nearly doubled. Today, 74 percent of our teachers agree they are better teachers because of the evaluation process.

We committed to the goal that every student has a quality teacher in a school led by a great principal. We set high Tennessee state standards. We are no longer lowering our hoops to five feet and telling everyone our kids can dunk.

We lifted the caps on charter schools, giving parents more choices, and six of our state universities now have local boards focused solely on making those campuses the best they can be

We implemented the Complete College Act and expanded statewide a successful pilot program began at Chattanooga State, the SAILS program, which tackles the issue of high school graduates coming to college unprepared for the coursework. Today, 15 percent fewer students need remedial work when they get to college.

All of these were discussions that needed to be had, with tough decisions to be sorted through, but as we think back to our fundamental challenge of not just competing with other states, but believing we could be the best, it was clear a shock to the system was needed.

Everyone in this room or watching this at home can be proud of the realization that all Tennesseans have access to college free of tuition and fees – everyone. We did that through the Tennessee Promise and Reconnect programs. We did that, without raising taxes. And it's a promise not just for the next few years, but for the next generation of high school students and the next generation after that, whose sights are automatically lifted to a college degree because we've removed that barrier to access. Our goal of 55 percent of Tennesseans having a certificate or degree by 2025 WILL happen. In fact, if we sustain our current momentum, we are on pace to meet the Drive to 55 goal two years early.

But to lead the country, we must continue to push forward. A recent report from Stanford University highlighted K-12 student achievement growth throughout the country and the results are startling. The South, and particularly the Southeast, has not fared well. But in a sea of low to mediocre growth, one specific place on the map stands out as a beacon of progress. That place is Tennessee.

This report has the rest of the country talking and trying to figure out, what's Tennessee is doing right. I would submit to you it's not magic dust or rocket science, but rather a lot of people working hard every single day. Tennesseans who have maintained a commitment and willingness to make hard policy decisions around school accountability, and to stick to them when things got tough and critics got loud.

The fact is this: together we have made the right calls, the tough calls, on the policies we've pursued. And now, now we have proof that our decisions were right. Why have other states not experienced the same growth we have? It's actually a pretty simple answer. Nearly every other state has compromised in some way on the core principles that have proved to make a difference: high standards, assessments that measure those standards, and educator evaluations tied to those assessments.

We have not compromised. And I'm asking you to stand with me to ensure that we don't back up now. Not now. Not this year. Not next year. Not ever.

Tennessee can and will lead the nation in education.

But decisions about jobs and education are not made in a vacuum, so we must measure ourselves in a third way. There is no single more important thing that Governors and General Assemblies do than put together the state budget. Budget sets policy. So let's talk about government efficiency.

2828

Coming out of the Great Recession, we had a billion dollar hole in the state budget and a Rainy Day Fund that had served its purpose but was in need of rebuilding. We didn't just back into lowering taxes in record amounts these last seven years. We had to work for it.

There was a need, and we had the opportunity to drastically overhaul the state's budget with a new philosophy built around seeking innovation and a commitment to provide the very best possible service at the lowest possible cost. Working together, our strong track record of low taxes and low debt now allow us to be the very best stewards of people's money.

For decades, employment decisions in state government were based solely on seniority with no consideration of job performance, while employees either received modest, across the board pay increases, or nothing at all. Well I don't think anybody would think that's a good way to motivate our employees or serve our taxpayers.

I've said it before and I'll say it again: the team with the best players wins. State government's role is to provide services that Tennesseans aren't able to get on their own. Great employees make sure we're providing those services in the most customer focused and effective way.

The TEAM Act changed how we hire, evaluate, and reward state employees. It delivers what hard working employees deserve and what taxpayers expect. And both are seeing the benefits. Tennessee state employees today, on average, make \$10,000 more than they did seven years ago. \$10,000 more than they did seven years ago, on average. No other administration or General Assembly in history has worked as hard to fairly compensate our team members as we have together.

I want to take this opportunity to thank our Cabinet for their outstanding work. They have taken a customer focused approach to leading and serving. We put in place a performance management system, where leadership is held accountable for great service delivery. They've taken tourism to new levels, deployed troops all over the world, served our veterans honorably, protected us, improved health care, led safe prisons, built better roads, focused on our children and other vulnerable citizens, settled decades old lawsuits that had cost us billions of dollars, and I could keep going all night. Sorry if I missed you. Please join me in thanking them for their great work. Well done. That applause makes up for all the tough grilling in committee sessions.

We took a hard look at better managing our state's assets also. We have invested in maintaining our buildings like never before, so that our state facilities are ready to serve future generations. We have eliminated unnecessary square footage, and during this administration, we will have vacated more than one million square feet of state office space, eliminating significant dollars in operating costs.

So you may wonder, how do we keep going? How can we maintain our status as one of the lowest taxed states in the nation? We must continue to explore industry best practices and we must stay true to our principles of providing, and our Cabinet gets tired of hearing, I've said it tonight but they hear it ten times a day, providing the very best possible services at the lowest possible cost.

Together, we have cut \$578 million in taxes, including a nearly 30 percent cut to the tax that everyone pays, the sales tax on groceries. We've set a schedule to end the Hall income tax, and we have already eliminated the inheritance tax and the gift tax. Listen to this, at the end of

the day, together we will have cut taxes nine times more than any Governor and General Assembly before us in the history of the state.

For all of our efforts and our problem-solving, Tennessee is recognized as one of the best managed states in the nation. We have the lowest debt per capita in the country, and we have one of the lowest taxes in the nation as a percentage of personal income. But we're also seeing the results I've mentioned: rising incomes for families, more jobs than ever before, and our lowest unemployment rate in state's history.

Governing Magazine recently said, and I quote, "Seven years ago, Tennessee was seen as a laggard in the field of public administration. Today it's a leader." Governing Magazine went on to say, "Tennessee offers a compelling example of what conservative government can deliver."

We will lead the nation in efficiency by being the very best stewards of the people's money. Again, we didn't just get lucky. The collective decisions that we have made over the last seven years have allowed us to reach where we are. To retain that, we will need a relentless pursuit of providing the best services at the lowest possible cost.

When I began as your governor, I challenged us to be better. Tonight I'm challenging us to take the next step. While we have accomplished so much, our work is not done. We must not let up. We must not slow down.

The opioid epidemic is crippling our state and our country. The United States of America comprises 5 percent of the world's population, but we use 80 percent of the world's opioids. In Tennessee, we write 7.6 million prescriptions a year and there are only 6.6 million of us, a staggering statistic. This is a crisis that knows no boundaries and impacts individuals and families regardless of race, income, gender or age.

Last week, we announced Tennessee Together, a comprehensive plan to end the opioid crisis that focuses on prevention, treatment and law enforcement. Our approach will be aggressive with provisions to limit the supply of opioids, provide significant dollars to treat those in need, and to fight the illicit sale and trafficking of opioids. This will not be an easy fight, or one that will be won overnight, but it is one we must attack head on.

I want to commend the considerable work that the House and Senate have already done to help inform and construct the plan and I want to thank the judiciary for its collaboration on this important issue. Tonight I ask that all shareholders around this issue work together with us to achieve real reform and take action that will save lives.

In K-12 education, we must continue to push forward with policies that have led us to be the fastest improving state in the nation: high standards, assessments tied to those standards, and educator evaluations that include measuring how students perform on those assessments.

And we should continue to couple increased accountability with increased investment. If the budget I am proposing for next year is approved, together we will have added nearly \$1.5 billion to K-12 education, with more than \$500 million of that going to teacher's salaries. Think about those figures. Those are unprecedented increases and anyone who claims that this administration or this General Assembly is not fully committed to public education is simply ignoring the facts. We have supported our educators and public schools and we will continue to

do that. But we're going to do it in a way that improves student outcomes, not one that erases the gains we have made.

In higher education, we have made great strides toward increasing access to college through the Tennessee Promise and Tennessee Reconnect. We can also be proud, that due to the hard work of our colleges and universities, Tennessee has had the lowest three years of tuition increases in the last 40 years. But it is time for us to focus not just on access, but success in college. While more students than ever are entering Tennessee's postsecondary schools, only one out of every four community college students completes college in six years, and roughly half complete at our four-year institutions during the same time frame.

The research is clear: taking the credits needed to graduate on time results in better academic performance, higher retention rates, and the increased likelihood of completion. So tonight, I am announcing the Complete to Compete initiative, which, through appropriate levers and resources to students, will ensure that they start strong, receive support to stay on track, and make it to graduation day.

Tonight, I am also introducing the Juvenile Justice Reform Act of 2018. We all know that far too many kids get lost in the juvenile justice system. With great leadership from the Senate and the House, a task force on juvenile justice studied our system and determined that reform is needed.

We can do better. We can be smarter. And tonight I'm asking the General Assembly to adopt responsible reforms that will focus the most significant state interventions on the most serious offenses. We know from evidence that costly out-of-home placements, in many circumstances, are not good for children, communities or taxpayers. With a responsible investment now, we can positively impact the lives of children and their communities, and we can use our resources more effectively.

So, seven years ago we challenged ourselves to compete against the best. We have met that challenge. Not only have we transformed into a state that can compete, we have created the kind of momentum it takes to actually lead. Make no mistake – together we have created one of the most effective governments in state's history, and the momentum we have created will make us the most effective state government in the country.

It has been my life's greatest honor to lead this state that I love for the past seven years. Will you join me in finishing what we began?

Tennessee, it is time to lead the nation. I believe we can; I believe we will.

- Tennessee will lead because every man and woman, created in the image of God, deserves meaningful work.
- Tennessee will lead because every child in every zip code deserves a high-quality education.
- And Tennessee will lead because taxpayers, hard-working Tennesseans who get up every day with the desire and hope to do better today than they did yesterday, deserve a government that will work as hard as they do.

Several weeks ago on a Sunday night, I was driving back to Nashville from a weekend in Knoxville. Well, actually I wasn't driving, I was being driven. That's another thing that's getting ready to change in my life in about a year. But, travelling down I-40 in the dark that night, I started thinking about this amazing journey that we have been on for the last several years and how much I have loved the honor of having this job.

I thought of a quote that I had memorized back in college that seemed right then, but I know now to be even truer than a 20-year-old could know. Oliver Wendell Holmes, the brilliant jurist, said, "This is the great joy in life, to be a force for good, instead of a feverish selfish clod of ailments, complaining that the world will not devote itself to making you happy." The people of Tennessee have given us this incredible opportunity to be a force for good.

Whether, like me, you have one more year, or you intend to be here for years to come, let's use this time while we have this privilege of answering the call to lead, to be that force for good for the state of Tennessee.

Let's decide now that Tennessee will lead.

Thank you and good night.

Madam President Harwell relinquished the Chair to Mr. President McNally.

Thereupon, the purpose for which the Joint Convention was called having been accomplished, Mr. President McNally declared the Joint Convention dissolved.